

**South Los Angeles Industrial Tract BID
Interim Board of Directors Meeting
January 29, 2007 at Noon
American Central Plaza 1026 East 59th Street**

In attendance: Duke Dulgarian, Matt Mullen, Steve Stone, Greg Goodman, Stanley Kramer, Steve Anderson, Oscar Ixco, Josh Rohmer, Harry Ambarthian, Rick Scott, John Sebourn, Pam Sebourn, Rod Kratochvil, Susan Levi, Tracy Krauss

- I. Meeting called to order 12:15 pm
- II. **Introductions** – Introductions were made
- III. **Approval of Minutes – Motion to approve minutes as written by Anderson/Mullen unanimous.**
- IV. **Public Comments** – Kramer stated he feels it is his responsibility to inform the board that the BID was formed illegally since only property owners may sign petitions and the CRA signed on behalf of his property. Kramer informed the board he is currently suing the City of Los Angeles and will be sending a letter to all property owners informing them of this issue. Kramer stated the board needs to take this into consideration before voting to spend money. Kramer stated only 68 out of 152 property owners voted for a total of 45%. Kramer advised the board to consult with their attorneys since non-voting property owners may have a claim if money is spent. Stone asked Kramer what his recommendation is. Kramer stated he recommends the board speak with their attorneys prior to spending money because the money currently being assessed may have to be returned. Kramer stated another property that was signed for by the CRA is located at the southwest corner of Slauson and Central. Scott stated if there are any questions regarding this matter they must be in writing to the City Clerk's office. Kramer stated the City Clerk's office is also named in the lawsuit. Levi stated she has the tabulated votes at her office and can email them to the board so they may see the actual percentages. Stone stated the board acts upon information that they have and not the information they do not have. Stone stated board members are not responsible for any mistakes made by and the board is acting on the information given to them by the City representatives. Stone stated if the BID moves forward the board is not responsible if there is a monetary problem later and it would then be up to the board to also sue to protect the board and its officers. Stone stated the board should not stop what they are doing and if there was fraud or mistakes it was by the City for providing misinformation.
- V. **Corporation and Insurance Update** – Levi informed the board that the corporation has been approved by the Secretary of State, but she has not yet received the endorsed Articles of Incorporation. Although the endorsed Articles have not been received, Form 3500 will be submitted to the Franchise Tax Board. Levi stated the Franchise Tax Board normally requires the stamped Articles but she explained the deadline to them and she will be submitting a photocopy and

mailing the endorsed copy upon receipt. Levi informed the board that the IRS does need the endorsed Articles, which are expected within the next 2 weeks. Levi stated all of the applications are signed and will be submitted. Levi stated that due to the armed officer it is difficult to get insurance. Levi has been shopping around the insurance package and asked the board if anyone has an agent they work with to advise her so she may obtain an additional quote. Levi stated there is currently a quote for \$5,400 for General Liability and the D&O would be about the same. Levi stated another company quoted as high as \$10,000 per premium and she would be obtaining additional quotes.

- VI. **LADWP Outdoor Lighting Update** – Ixco informed the board that DWP was scheduled to be present at the meeting but had to cancel due to an emergency and will attend the next meeting. Ixco stated he did have discussions with DWP regarding lighting improvements and many lights have been installed in the tract with more being installed in the next few weeks. Ixco stated that once the lights are complete a night assessment would be done to find out where there are gaps to put in more lights for equal distribution. Ixco stated he would have more information by next month. Stone asked if this would be done by the end of February. Ixco stated it would.
- VII. **Anti-Harassment and Anti-Discrimination Policy** – Levi informed the board that one of the insurance companies asked that the board adopt this policy. Levi stated the insurance company is aware that the BID does not have any employees and it is more to protect the subcontractors and any harassment to their employees. Levi stated although the board may not use the insurance company requiring this it may be required by other insurance companies. Levi stated a lot of it does not make sense as written because there are no employees but this is how it needs to be written. **Motion to adopt the policy by Stone/Goodman; carried; Kramer abstains.**
- VIII. **Security**
- a. Universal Protection Service Update – Kratochvil stated UPS began this morning at 8am with 2 officers patrolling the area. UPS is getting settled in and by the end of the week area residents will be seeing security coming around to their businesses. Kratochvil stated they are working out all issues and the security office location has been the main focus. Kratochvil stated the schedule currently has coverage from 6am to 10pm. Levi informed the board that originally the coverage was to be 24/7 but due to the command center not being ready there is nothing for the graveyard shift to monitor. Levi stated the command center should be ready by February 26. The graveyard shift officer is currently working days. Levi stated that during daylight hours and on the swing shift the officers would be on bikes and during the graveyard shift they would be in a vehicle. Kramer asked if property owners would be given a phone number to call in case of a problem. Levi stated it is unclear at the moment since there is no post commander yet. Kratochvil stated property owners could call him in the interim and distributed his business card to all present.

- b. **Post Commander** – Levi informed the board that 5 candidates were interviewed on Friday and none were qualified for the position and she asked UPS to do more recruiting. Levi stated the post commander is the most important position in the security team and no one was satisfied with the candidates. Levi stated there would be another round of interviews and the board is invited to attend. Dulgarian asked the pay rate for the post commander. Levi stated under the CRA contract it is \$11.50 an hour and under the BID contract the position pays \$15.00 an hour.
- c. **Security Camera Update** – Ixco stated the CRA is doing their best to get the system up and running. Ixco informed the board that their contract department is making sure everything is compliant and there are some issues that need to be resolved. Ixco stated the old cameras are scheduled to be removed beginning on Wednesday and to begin installing the new ones, as well as make repairs to the command center on 60th Street. Ixco stated once the repairs are in place there would be some electrical work, weatherproofing, air conditioning and hardware. Ixco stated having someone in the command center 24/7 was discussed but the booth is not yet operable so it does not make sense to have someone there. Ixco stated the contract is scheduled for completion by February 26th but it may be done sooner. Ixco stated the first phase includes having visuals on 20 cameras and move forward from there. The second phase is the installation of visuals at Newton Division. Ixco informed the board that LAPD would not allow for the DVR recording equipment to be stored at their location and asked for input from the board as to an alternative place to house the equipment. Anderson stated it would be okay to put it at the security office location. Stone asked if the equipment is hard wired or wireless. Ixco stated it is wireless. Ixco stated there would be visuals at the command center booth and LAPD with the DVR equipment stored at the security office. Ixco stated he had spoken with the city attorney and as long as the equipment is in a secure location it would not compromise the integrity of any evidence. Ixco stated the DVR runs on a 30-day cycle. Ixco stated the camera contractor has also asked for a place to gather while their installing the equipment and they will be sharing the security office. Ixco stated most of the work would be done during the day and maybe on weekends. Anderson asked what happens if someone destroys the gate arms. Ixco stated part of the contract is to repair all of the gate arms and they would all be replaced and operate as they should and repair of the arms would be determined at a later date. Dulgarian thanked Anderson for the generous use of his office space.

Levi asked if anyone had anything further to ask of UPS before they are excused. Sebourn asked about the policy regarding the homeless setting up encampments on the streets. Kratochvil stated they would be asked to move and this is a more prevalent problem in Downtown LA but new people always take their place. Sebourn stated she sees the same person camping in front of her business and another one down the street. Levi asked if they are on private property. Sebourn stated they are not on private property but they are in front of a door. Levi stated send Trespass Authorization Forms to the property owners and tenants and UPS would come around to pick them up.

Levi explained the purpose of Trespass Authorization Forms. Levi stated when a post commander is hired he or she would go door to door and bring the form to have on file with LAPD. Ixco stated all concerns should be forwarded to the Council Office and that there needs to be public outreach. Ixco stated that some agencies come out and try to get them to move and everything should be done prior to bringing in LAPD to forcibly remove them.

IX. BID Administration

a. Dulgarian stated the BID received one proposal for administration. Levi stated she sent an email to the BID consortium and contacted the other consultants that manage several BIDs and received 3 interested parties. Levi stated she sent them the RFP but they did not submit proposals. Dulgarian stated he sent it to 3 companies and they did not want to be involved. Mullen asked why they did not want to do the administration. Dulgarian stated the BID is too small financially. Levi stated the administration budget is not very high and is only \$60,000 per year but that must also pay for the insurance, annual review and tax filing. Levi stated most BIDs pay much more for administration. Levi and Krauss excused themselves for the board to discuss the proposal. **Motion to approve Levi administration contract by Anderson/Mullen; carried; Kramer abstains.**

X. Maintenance Services – Levi stated the maintenance budget is \$12,800 and she spoke with the Coalition for Responsible Community Development and they are currently under contract with the CRA. Levi stated these services would be done on an as needed basis but if there is a bulky item to be removed tenants should call to have them picked up. Stone asked if this is anything left out front. Levi stated it is. Levi stated she expressed her concern to Ixco due to the amount of graffiti not being removed and the graffiti is now gone. Levi stated she also called LACC for a maintenance proposal, which they have not yet provided, but they told her they cannot do bulky item pick up for the amount of money in the maintenance budget. LACC does have a Clean and Green Team and the head of LACC is trying to work out having an extra Clean and Green team to sweep up and remove graffiti. Levi stated she would be getting a proposal from LACC for the next meeting. Stone asked if the response time would be provided when a request is made. Levi stated it would be. Mullen stated this all needs to be done immediately. Levi suggested property owners and tenants provide their paint colors to the Coalition so that the colors match instead of the patching up that is done with gray. Kramer asked why more maintenance is needed if there are gates, guards and cameras. Levi stated she has encountered this problem in other districts where 311 is called for a pick up and, while they're supposed to respond within 72 hours, it is often much longer. Levi stated that once security is all in place it won't be needed as much and then the contract may be changed to add additional sweeping and graffiti abatement. Levi stated any maintenance contract would need to be fluid. Stone stated that the hope is that as soon as vehicles are being identified and arrests are made people would go somewhere else and the goal is to see a decrease in dumping so the service would not be as needed but is needed during the start up. Kramer stated the City of LA removes bulky items. Goodman stated they are not very responsive. Dulgarian stated the reason for a

BID is because of the lack of responsiveness from the City. Levi stated that BIDs are formed to provide services over and above what the city provides. Stone stated these services are necessary within a 24-month period and if it is no longer necessary he would vote against it. Anderson asked if the streets are public or private property. Dulgarian stated they are public property and there are easements that are private. Kramer stated it depends on what was built and when and some properties were built right up to the property line. **Item was Tabled.**

XI. **New Business** – None

XII. **Next Meeting Date** – The next meeting is scheduled for Monday, February 26, 2007 at Noon. Levi asked the board if they would like to change the meeting time to 1pm due to the lunch situation. Levi stated the CRA and Eshagian have been paying for lunch and if the meeting were later it would not be an issue. Stone stated lunch is not necessary and Noon is fine for him. All members agreed Noon is best. Levi stated if anyone brings lunch it must be kosher. Dulgarian stated the meetings should not be very lengthy. Levi stated that the meeting could be moved to 1pm. All members wanted to keep the meetings at noon.

XIII. Meeting adjourned at 1:09pm.